

MVAC MINUTES – JANUARY 14, 2004

The MVAC meeting was held on January 14, 2004 at the Division of Wildlife. Scott Madsen started the meeting at 9:05 am.

In Attendance: Dave Monson – DOC, Mary Ann Kraemer – CBI, Gene Stroh – DOHE CSU, Corinne Linderud – DPA TMU, Paula Neal – DONR Oil & Gas, Roger Friedrich – DOHS, Rob Archer – DOAG, Fred Trujillo – LAW, Doug Boettcher – CDOT, Bryan Flansburg – DOHE CU Boulder, Patti Hughes – DOHE CU Boulder, Scott Edwards – DOHE CU Boulder, Karen Neuschwanger – CDOT, Stephanie Gelt – CDOT, Ronni Hunter – DOR Gaming, Ken Hausauer – DPA TMU, Adam Hiatt – DPA TMU, Patti Torres – DOLE, Tom Myrsiades – DOR Emissions, Kyle Shelton – CSP, representing State Fleet – Scott Madsen, Larry Wegrzyn, Bob Schley, Terry Sisneros and Bob Giovanni.

Updates

- NAC for non-SFM vehicles – National Auto Club (NAC) service can be used on your non-SFM vehicles if they are enrolled through Wright Express. The service will be billed on your Wright Express billing.
- 5X Utilization – The MVAC previously approved two CDOT vehicles to be under the 5X Utilization code. CDOT is asking the MVAC to approve the other three vehicles. A vote of the MVAC was taken and a total of 5 CDOT vehicles were approved for the 5X Utilization Code.
- Donated Vehicles – Donated vehicles may be enrolled in the SFM program. Enrolling a vehicle in the SFM program is voluntary on both sides, Fleet and the Agency. SFM can refuse to enroll a vehicle if they determine that the vehicle is in poor condition. The agency does not have to enroll a donated vehicle in the program. The donated vehicle will not be counted in any reductions. If the vehicle is sold by SFM the proceeds will go to the department to which the vehicle is assigned.
- FY04 Replacements – On January 12, 2004 the JBC initially denied the supplemental for new vehicles. The JBC said, “The request does not meet the supplemental requirements”. Scott will go back for a “comeback” to be readdressed. The request needs to be in by January 14, 2004. FY05 is contingent on FY04. If FY04 is denied all replacements will go on the FY05 list and SFM will request additional FY04 funding for maintenance. The JBC controls all funding.
- Statute Change Requests – The following changes to fleet related statutes have been requested in a bill now going through the legislature:
 - Commuting - Statute suggests that reimbursement rate should approximate the benefit derived by the driver. SFM recognizes that in some cases there is no benefit to using a vehicle for commuting. All Rules must be approved by the Attorney General's Office. A change was made in 1997 to bring SFM rules up to date with the IRS rules on commuting. A change is being requested to add additional wording to **24-30-1113, Commuting – reimbursement by state officers and employees.** The

proposed wording is to add, "Unless provided by rule," to "no exceptions shall be made to the reimbursement provisions of this subsection." The definition of commuting is "travel from home to a place of employment".

- Utilization - **24-30-1112, Permanent assignment of vehicles – verification of minimum mileage – revocation.** The proposed wording would read: (a) "If the use of such vehicle is not likely to meet the minimum required mileage established by the Department of Personnel for the utilization classification associated with the vehicle's intended work function unless:" and (b) "Required mileage based on the appropriate utilization classification".
- Replacements – Proposed wording is: (f) "Meet the replacement criteria relating to mileage, cost, safety, and other relevant factors established by the Department".
- Proposed rule changes can be made one time per year. This topic will be covered at a future MVAC meeting.
- Mileage Reduction – Mileage is down 2.26% in comparing the last six months. This is currently short of the JBC requested 5% reduction. Anything each of you can do to help achieve the JBC goal would be to your department's advantage.
- Vehicle Reduction 10% - There are still 33 vehicles remaining to be turned in as of January 9, 2004. SFM will extend the turn in time to January 31, 2004. All vehicles remaining after the turn-in date will be on the report sent to the OSPB/JBC. If there are errors on the list please report these to SFM.
- Questions Submitted by JBC Analyst – We handed out a copy of recent questions from the JBC and SFM responses. Requests like these typically have very short turn around time and the OSPB has to approve before going to the JBC. Wording needs to be specific, accurate and defensible. If SFM has advanced notice on issues requiring response we would like to get input from the MVAC, however, the turnaround times required by the JBC frequently make consultation impossible.

Operations

- Commuting Reporting and Verification – Scott Madsen – SFM Fleet Manager feels that commuting will possibly be audited on a yearly basis. SFM will send out a list of vehicles approved for commuting and ask for verification by having each agency's EDO sign off.
- Utilization Reporting and Verification – Each agency needs to verify each vehicles utilization code before the end of the year. See the utilization report on the Fleet website. The report is not just to verify underutilized vehicles, but can be used as a tool to swap vehicles that are over or under utilized. This is another issue that Mr. Madsen feels may be audited in the future. An example is the 1A utilization – Maintenance and Support: Campus/Prison, Institution and Rest Area – 1,000 per year. A vehicle under this utilization code, putting on 30,000 miles per year is likely to be in the wrong utilization code. SFM feels it is necessary to maintain credibility for anyone reviewing the utilization code methodology. Two possibilities were raised: 1.) Readdress the proposal from last year to average utilization on a vehicle. This may take into account the moving of a vehicle from a one utilization

code to another, within any given year. It would average the overall usage of the vehicle. 2.) Create a utilization distribution report which would track the percentage of vehicles in each utilization code in each DDS (Department / Division / Section) throughout the year and thereby enable managers to check for anomalies.

- Follow up on how to establish credibility for MVAC, Agencies and SFM on monitoring utilization and commuting at the February 2004 MVAC meeting.
- SFM asked TMU if it would be possible when changing a utilization code to add a memo line for justification. TMU can do this or use a drop down box with several justifications from which to choose.
- SFM Financial Audit – the auditor determined that SFM would be required to do an annual physical inventory. SFM could do inventory two ways: Send out a master vehicle list on every vehicle and have it signed off or send a list on vehicles that are questionable. Vehicles that would be questionable are ones that SFM has received no information on for 2-3 months, such as mileage, fuel or repairs. SFM would ask agency's to verify they still have these vehicles as part of their fleet. This option has been approved by the Auditors with a tentative approval on the Controller side. The physical inventory procedure will take place by the end of the year. SFM will keep the MVAC updated.
- New Auction Agreement – tabled for the February 2004 MVAC meeting.

Tom Myrsiades – Department of Revenue Emissions

- Vehicles sold at auction – the seller needs to provide the buyer with an emission test. If the vehicle is determined to be inoperable it can be sold using the form DR2023 listing the reason for being inoperable and being signed off by the buyer. If a vehicle fails an emission test, this is not a reason for it being inoperable and is not exempt from a test. The vehicle is supposed to be brought into compliance before sale. A dealer can sell a vehicle to another dealer without an emission test. A dealer may also sell a vehicle with an emission voucher. If the vehicle fails within 72 hours of purchase you may return that vehicle.
- Clean Sweep Program – The program is a drive through emission test that will be in effect starting February 2004. All Government vehicles are excluded from using this form of testing.
- HD Diesel Vehicles – these vehicles are now being tested every two years instead of every year. The weight is redefined as those over 14,000 GVW.

On vehicles being turned in to SFM from an emissions test required area, only about ½ are being turned in with emission tests. SFM reminded MVAC that if a vehicle is coming from an area that requires emissions testing, the test must be done by the agency prior to bringing the vehicle to SFM. Test Sites are located around the Metro area.

Presentation – Ron Clatterbuck, SFM

- Choosing vehicles
 - Bid Process; Selecting Options

- Budget Impacts Timing/Numbers/Variables/Unknowns

The presentation subject for February 2004 will be Rate Setting.

Open Discussion

DU has a 2000 Bussette for sale. It has 8000 miles, they are asking \$30,000 for it. Contact Ron Clatterbuck – SFM if you have any questions.

SFM has received reports from Wright Express showing the fuel card being used for maintenance. The fuel card is not to be used for maintenance or preventative maintenance. Certain vendors are allowing the card to be used by drivers instead of calling SFM for a PO number. Wright Express does not like to lock out vendors. The only other option is to restrict a driver's card to fuel only. SFM would like to propose to the MVAC: If a card is used for maintenance SFM will notify the vehicle coordinator. After the third time a card is used for maintenance SFM will restrict the card to fuel only. MVAC approved the proposal. The new procedure will be addressed at the February 2004 MVAC meeting.

The meeting was adjourned at 11:07 am.

The next meeting will be held on February 11, 2004 at the Division of Wildlife, 6060 Broadway, Big Horn Room at 9:00 am.